

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

25

JUNE 1, 2010

Los Angeles County
Board of Supervisors

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June 01, 2010

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012


SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

John F. Schunhoff, Ph.D.
Interim Director

Gail V. Anderson, Jr., M.D.
Interim Chief Medical Officer

313 N. Figueroa Street, Suite 912
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*To improve health
through leadership,
service and education.*

**APPROVAL OF AMENDMENT TO TRAUMA CENTER SERVICE
AGREEMENT
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Approval to extend the term of Trauma Center Service Agreements with 12 non-County and two County-operated trauma centers, provide continued funding for the non-County Trauma Centers and adjust the annual Trauma Center/Base Hospital fees to maintain the current level of trauma care services.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize the Interim Director of Health Services (Interim Director), or his designee, to execute an Amendment to Trauma Center Service Agreement (TCSA) with the 14 designated trauma centers, as listed on Attachment A, to extend the term of each Agreement, with substantially similar terms, for the period of July 1, 2010 through June 30, 2011.
2. Delegate authority to the Interim Director, or his designee, to amend these Agreements to extend the term, on a month-to-month basis, for up to one year through June 30, 2012, with substantially similar terms and conditions, upon review and approval by the Chief Executive Office (CEO) and County Counsel and notification to your Board.
3. Approve funding for the Agreements with the 12 non-County trauma



centers for care provided to eligible trauma patients, for a total annual obligation of \$38.2 million, subject to proportional Measure B adjustments, if any, for Fiscal Year (FY) 2010-11, and FY 2011-12 based upon extension of the Agreements by the Interim Director, or his designee. A maximum annual amount of \$26.1 million of those funds shall be used as an intergovernmental transfer (IGT) for payment to the State to draw-down Medi-Cal matching funds (Federal Financial Participation) and provide the non-County trauma centers, excluding Ronald Reagan UCLA Medical Center, with additional reimbursement for trauma care.

4. Approve the annual Trauma Center/Base Hospital fee for FY 2010-11 for the non-County and County trauma centers to offset the County's costs associated with data collection, monitoring, and evaluation at \$83,880, for each Contractor, excluding Childrens Hospital Los Angeles (CHLA) for whom the annual fee shall be \$71,922. These fees will remain the same for FY 2011-12 based upon extension of the Agreements by the Interim Director, or his designee.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Pursuant to the authority granted under California Health and Safety (H&S) Code Section 1798.160, the County maintains trauma facilities as part of the regional trauma care system for treatment of potentially seriously injured persons. Division 2.5 of the H&S Code authorizes the local Emergency Medical Services (EMS) Agency to designate Trauma Centers as part of the regional trauma care system. There are currently 12 non-County and two County-operated trauma centers in the County (Attachment A). The current TCSAs with these trauma centers expire June 30, 2010.

Approval of the first recommendation will allow the Interim Director to execute an amendment to the current TCSAs, (Exhibit I), to extend the term of each Agreement through June 30, 2011.

Approval of the second recommendation will allow the Interim Director to extend the term of each Agreement on a month to month basis up to one additional year through June 30, 2012, if there are no material changes in the health care reimbursement provisions.

Approval of the third recommendation will fund payments to non-County trauma centers for care provided to eligible trauma patients as set forth in the amended Exhibit B of the attached TCSA.

Approval of the fourth recommendation will increase the annual Trauma Center/Base Hospital fee which offsets the County's cost of data collection, monitoring, and evaluation of the Advanced Life Support programs. The increase is necessary to offset the additional costs of the Trauma Emergency Medicine Information System and staff salaries to manage the data.

Implementation of Strategic Plan Goals

The recommended actions support Goal 4, Health and Mental Health, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

For FY 2010-11, the total maximum annual obligation to non-County trauma centers will be \$38.2

million, subject to proportional Measure B adjustments, if any, as set forth in Exhibit B of the TCSA. This amount is comprised of \$12.1 million for claims-based payments, and up to \$26.1 million for periodic lump-sum payments for providing continued access to emergency care for Medi-Cal beneficiaries and for special costs incurred for those trauma centers providing base hospital services. This funding will consist of Measure B (approximately \$34.6 million) and SB 612 (Maddy) funds (approximately \$3.6 million).

The Amendment includes a revised allocation of \$0.8 million for CHLA from the total periodic lump-sum funding of \$26.1 million. This was requested by CHLA to more fairly allocate the trauma funding and help offset their losses associated with treating pediatric trauma patients and is based on actual trauma patient volume data submitted to Department of Health Services. The 12 non-County trauma centers and the Healthcare Association of Southern California concur with this reallocation.

The Amendment provides for an annual trauma center service fee in the amount of \$83,880 beginning FY 2010-11, payable to the County by each non-County and County-operated trauma center, excluding CHLA for whom the base hospital fee does not apply; therefore, their fee will be \$71,922 beginning FY 2010-11. These fees offset County costs associated with data collection, monitoring, and evaluation. Estimated FY 2010-11 revenue to the County from these fees is \$1.2 million.

There is sufficient funding in the DHS FY 2010-11 Proposed Budget for the non-County trauma centers, in the amount of \$38.2 million, and funding will be requested in FY 2011-12, as necessary.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On June 17, 2008, your Board approved TCSAs for the provision of trauma and emergency services in FYs 2008-09 and 2009-10 with a total two-year maximum obligation of \$62.4 million. These Agreements provide non-County trauma centers with funding for claims-based reimbursement payments; periodic lump-sum payments; and special costs. A portion of these funds are allocated to obtain enhanced Medi-Cal matching payments for the non-County trauma centers, excluding Ronald Reagan UCLA Medical Center, which is a public institution. Funds for these Agreements are comprised of SB 612 (Maddy)/SB 1773 and "Measure B" Trauma Property Assessment funds. The current TCSAs are slated to expire on June 30, 2010.

On March 30, 2010, your Board approved the execution of a TCSA Agreement with Antelope Valley Hospital, augmenting the critical care services available to the residents of the Antelope Valley area.

The County and Contractors may terminate the Agreement with or without cause by giving the other party at least 60 days prior written notice.

County Counsel has approved Exhibit I as to use and form.

CONTRACTING PROCESS

Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The Honorable Board of Supervisors

6/1/2010

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Approval of the recommended actions will allow the provision of trauma and emergency services to continue uninterrupted.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "John F. Schunhoff". The signature is fluid and cursive, with a large initial "J" and "S".

JOHN F. SCHUNHOFF, Ph.D.

Interim Director

JFS:cc

Enclosures

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors
Emergency Medical Services Commission
Hospital Association of Southern California

DESIGNATED TRAUMA CENTERS

<u>NON-COUNTY TRAUMA CENTERS</u>	<u>LEVEL</u>	<u>BASE HOSPITAL</u>	<u>PEDIATRIC TRAUMA CENTER</u>
1. Antelope Valley Medical Center	II	X	
2. California Hospital Medical Center	II	X	
3. Cedars-Sinai Medical Center	I	X	X
4. Childrens Hospital Los Angeles			X
5. Henry Mayo Newhall Memorial Hospital	II	X	
6. Huntington Memorial Hospital	II	X	
7. Long Beach Memorial Hospital	II	X	X
8. Northridge Hospital Medical Center	II	X	
9. Providence Holy Cross Medical Center	II	X	
10. St. Francis Medical Center	II	X	
11. St. Mary Medical Center	II	X	
12. Ronald Reagan UCLA Medical Center	I	X	X

COUNTY-OPERATED TRAUMA CENTERS

1. Harbor/UCLA Medical Center	I	X	X
2. LAC+USC Medical Center	I	X	X

Contract No. _____

TRAUMA CENTER SERVICE AGREEMENT

AMENDMENT NO. ____

THIS AMENDMENT is made and entered into this _____ day of _____, 2010,

by and between

COUNTY OF LOS ANGELES
(hereafter "County"),

and

(hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled "TRAUMA CENTER SERVICE AGREEMENT", dated _____, and further identified as County Agreement No. _____, and any Amendments hereto (all hereafter referred to as "Agreement"); and

WHEREAS, the parties wish to extend the Agreement for an additional one (1) year, to and including June 30, 2011; and

WHEREAS, Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by the parties.

NOW, THEREFORE, the parties agree as follows:

1. Paragraph 1 A, TERM, of Agreement shall be deleted in its entirety and replaced with the following:

"A. This Agreement shall commence on July 1, 2008, and shall remain in full force and effect to and including June 30, 2011, without further action of

the parties. In any event, County may terminate this Agreement in accordance with the TERMINATION Paragraphs of the ADDITIONAL PROVISIONS hereunder."

2. Paragraph 14, TRAUMA CENTER FEES, of Agreement shall be deleted in its entirety and replaced with the following:

"14. TRAUMA CENTER FEES: By payment as set forth in this paragraph, Contractor agrees to offset a portion of the cost of the data collection effort excluding new hardware, the data management system, and a portion of the County's administrative costs for the trauma system and base hospital operation. The annual Trauma Center/Base Hospital fee for Fiscal Years 2008-09, 2009-10, and 2010-11 shall be Fifty-One Thousand Two Hundred Twenty-Seven Dollars (\$51,227), Fifty-Two Thousand Seven Hundred Eighty-Two Dollars (\$52,782), and Eighty-Three Thousand Eight Hundred Eighty Dollars (\$83,880), respectively, for each Contractor and is due on or before August 31 of the fiscal year. Since the base hospital requirement does not apply to Childrens Hospital Los Angeles, as noted in Paragraph 4. SPECIFIC RESPONSIBILITIES OF CONTRACTOR, Section F., the annual Trauma Center fee for Childrens Hospital Los Angeles for Fiscal Years 2008-09, 2009-10, and 2010-11 shall be Thirty-Nine Thousand Six Hundred Seventy Dollars (\$39,670), Forty-One Thousand Twenty-Eight Dollars (\$41,028), and Seventy-One Thousand Nine Hundred Twenty-Two Dollars (\$71,922), respectively, and is due on or before August 31 of the fiscal year.

If this Agreement is revoked, cancelled, or otherwise terminated on a date other than June 30, the amount reflected herein above for such term shall be prorated, and a reduced amount, based upon the actual number of days of such term that the Agreement is in effect, shall be due County hereunder. If the greater sum has already been paid by Contractor, County shall refund the difference between that payment and the prorated amount.

If this Agreement is revoked, cancelled, or terminated because of Contractor's failure to maintain the trauma system criteria as described in applicable Exhibits "A.I" - "A.IV", or failure to maintain an acceptable level of trauma care as determined by community standards, Contractor shall not be eligible for any such refund.

In any event, County shall refund to Contractor its prorated share of remaining funds contributed by designated County Trauma Centers to the data collection system, if the total cost of such programs, as determined by the County's Auditor Controller and Director in accordance with standard auditing and accounting practices, is found to be less than the total amount contributed by designated Trauma Centers.

3. Exhibit B, PROVISIONS FOR REIMBURSEMENT, shall be deleted in its entirety and replaced with Exhibit B, PROVISIONS FOR REIMBURSEMENT, attached hereto.

4. Exhibit C, PATIENT INCLUSION IN THE TRAUMA DATA SYSTEM, shall be deleted in its entirety and replaced with Exhibit C, PATIENT INCLUSION IN THE TRAUMA DATA SYSTEM, attached hereto.

5. Exhibit D, TRAUMA CENTER DATA COLLECTION SYSTEM, shall be deleted in its entirety and replaced with Exhibit D, TRAUMA CENTER DATA COLLECTION SYSTEM, attached hereto.

6. Attachment D-1, TRAUMA AND EMERGENCY MEDICINE (TEMIS) HOSPITAL HARDWARE AND SOFTWARE SPECIFICATIONS, shall be deleted in its entirety and replaced with Attachment D-1, TRAUMA AND EMERGENCY MEDICINE (TEMIS) HOSPITAL HARDWARE AND SOFTWARE SPECIFICATIONS, attached hereto.

7. Attachment D-2, TRAUMA PATIENT SUMMARY FORM (TPS), Pages 1 and 2 shall be deleted in their entirety and replaced with Attachment D-2, TRAUMA PATIENT SUMMARY FORM (TPS), Pages 1 and 2, attached hereto.

8. Except for the changes set forth hereinabove, the wording of Agreement shall not be changed in any respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its

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Director of Health Services and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officers, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
John F. Schunhoff, Ph.D.
Interim Director

Contractor

By _____
Signature

Printed Name

Title _____
(AFFIX CORPORATE SEAL

APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN
County Counsel

By _____
Principal Deputy County Counsel

TRAUMA CENTER SERVICE AGREEMENT

EXHIBIT B
PROVISIONS FOR REIMBURSEMENT

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TRAUMA CENTER SERVICE AGREEMENT

EXHIBIT B PROVISIONS FOR REIMBURSEMENT

I. ELIGIBLE INDIGENT CARE FUNDING

A. GENERAL REIMBURSEMENT CONDITIONS: County has allocated certain monies as set forth herein to be used to pay Contractor for trauma care provided by them to eligible patients during the term of this Agreement. For the term of this Agreement, funds and Hospital Services Account funds shall be deposited to the County administered Special Revenue Funds referenced in Paragraph I.D.2. of Exhibit B. These deposits, together with other funds, which County may at its sole discretion allocate to the account from time to time, and any interest which the deposits may earn, shall be used to pay Contractor for trauma patient care.

Reimbursement to Contractor shall be provided from the Special Revenue Funds by County for the hospital component of treatment of trauma patients hereunder who are unable to pay for the treatment and for whom payment for such services has not been made and will not be made through private coverage or by any program funded in whole or in part by the federal government.

Contractor will determine and document persons who are eligible for services coverage hereunder. Only eligible patients (i.e., (1) those unable to pay for services, and (2) for whom there is no third-party coverage in part or in whole for trauma

EXHIBIT B

services provided qualify under this funding program. No reimbursement shall be provided for patient care if the patient has the ability to pay for the service, but refuses or fails to pay for same. Nor is County responsible nor shall it pay for services hereunder if Contractor has failed to submit to any known third-party payer(s) for the patient, an accurate, complete, and timely billing, and for that reason has been denied payment by such payer(s). Nor shall reimbursement be due Contractor or paid by County hereunder for any patient care which is covered in, or the subject of reimbursement in, any other contract between Contractor and County.

To bill County, Contractor must at a minimum show that it has made reasonable efforts to secure payment from the patient by billing (at least monthly) for an additional period of not less than two (2) months after the date Contractor first billed the patient. Contractor must show that the person cannot afford to pay for the services provided by the Contractor; and, it must also show that payment for the services will not be covered by third-party coverage or by any program funded in whole or in part by the federal government; and, that Contractor has not received payment for any portion of the amount billed.

EXHIBIT B

County reimbursement is limited to trauma patients without the ability to pay for the services and for whom Contractor has made a reasonable, good faith effort to determine if there is a responsible private or public third-party source of payment, and there is no source of payment.

Contractor will continue to determine and document persons who are eligible for trauma care coverage hereunder in accordance with the procedures set forth in Attachment "B-1", Trauma Service County Eligibility ("TSCE") Protocol, attached hereto and incorporated herein by reference.

Attachment "U-1", Trauma Service County Eligibility ("TSCE") Agreement form shall be utilized by Contractor as the sole means for determining each patient's eligibility for trauma care coverage during the term of this Agreement. The TSCE Agreement form must be completed and signed by the patient or the patient's responsible relative(s). If a TSCE Agreement form cannot be secured because the patient or the patient's responsible relative(s) is (are) unable to cooperate in providing the necessary financial information, then a Contractor certification to that effect (Attachment "U-2", Hospital Certification of Inability to Cooperate form) must be completed. The original (or electronic scan) of each such form must be maintained by

EXHIBIT B

Contractor as part of its financial records. Contractor shall submit a copy of the applicable form to the County Emergency Medical Services Agency as stated in Attachment "B-4", Instructions for Submission of Claims and Data Collection.

Documentation to establish that Contractor has complied with the aforementioned patient eligibility requirements must be maintained by Contractor and made available upon request, pursuant to Paragraph 5. of the Additional Provisions Exhibit of this Agreement, to authorized County or State representatives for inspection, audit, and photocopying.

During the term of this Agreement, as required by Section 16818 of the Welfare and Institutions Code, Contractor shall continue to provide, at the time treatment is sought by a patient at its facility, individual notice of the availability of reduced cost hospital care under this Agreement.

B. CONTINUED BILLING TO COUNTY: In the event funding as set forth in Paragraph I.D. of Exhibit B is exhausted prior to the expiration or other termination of this Agreement, Contractor shall continue to bill County, for remaining period up to such expiration or earlier termination, in accordance with the terms of this Agreement.

C. PAYMENT FOR CONTRACTOR SERVICES:

EXHIBIT B

1. County agrees under the following conditions to reimburse Contractor for the hospital component of trauma services to eligible trauma patients described in Paragraph I.A. of Exhibit B, within forty-five (45) days of receipt of a valid claim:

a. Reimbursement by County shall be limited to payment for the hospital component of trauma services provided to eligible indigent trauma patients for whom Contractor is required to complete a Trauma Patient Summary ("TPS") form, Attachment "D-2", of Agreement.

b. Contractor shall submit required reports as set forth in Attachment "B-4", Instructions for Submission of Claims and Data Collection, attached hereto and incorporated herein by reference to County's Emergency Medical Services (EMS) Agency, 10100 Pioneer Boulevard, Suite 200, Santa Fe Springs, California 90670, for trauma care provided under the terms of this Agreement, and this care shall be reimbursed by County pursuant to subparagraphs I.C.1.d. and f. of Exhibit B.

c. Reimbursement by County shall be limited to the hospital component of trauma services provided to eligible indigent patients during the term of this

EXHIBIT B

Agreement. Reimbursement shall only be made on claims for which all required data is in the TEMIS and which has been submitted as required by reporting procedures reflected in Attachment "B-4". Reimbursement to Contractor and other County contract trauma service hospitals shall be made from the Special Revenue Funds (see infra.). All Contractor claims for reimbursement must be received by County within four (4) months after the close of the fiscal year during which services were provided, no later than the last working day of October for the prior fiscal year.

d. Following receipt of all of the required reports and billings from Contractor and other contract trauma service hospitals and subject to the funding provision below, County payment hereunder for the hospital component of trauma services provided by Contractor to eligible trauma patients, as defined hereunder, shall be based on the following all-inclusive rates:

	FY 2009-10	
	&	
<u>FY 2008-09</u>	<u>FY 2010-11</u>	
\$5949	\$6425	per emergency department visit

EXHIBIT B

and assessment. (No such fee will be paid if the patient is admitted to the hospital as an inpatient from the emergency department.)

\$11,547	\$12,471	for the first inpatient day; and
\$5,016	\$5,417	for the second inpatient day; and
\$3,966	\$4,283	for the third inpatient day; and
\$3,966	\$4,283	for the fourth inpatient day; and
\$2,799	\$3,023	for each day thereafter.

These payments will be the maximum amounts payable to Contractor for care hereunder, with aggregate payment for all Contractors for services provided during the term of this Agreement until the funds set forth in Paragraph I.D. of Exhibit B are exhausted.

e. Once the medical condition of a trauma patient has stabilized, Contractor may contact the County's Medical Alert Center or other personnel as designated by County to request transfer of the trauma patient in accordance with County patient transfer procedures and priority criteria as approved by Director. Until the transfer occurs, County's

EXHIBIT B

responsibility for reimbursement to Contractor for medically necessary services shall continue as described herein.

f. Any and all payments received by Contractor from a trauma patient or from third-party payers, or both, for claims previously billed to the County, must be immediately reported to the County. If Contractor previously received payment from the County for such claims, the Contractor must immediately submit a refund of County's payment to the Special Revenue Funds Section, 313 North Figueroa Street, Room 531, Los Angeles, California 90012. A TRAUMA HOSPITAL PAYMENT REFUND FORM (Attachment B-6) must be completed and submitted for each refund. All such refunds received by County will be deposited to the Special Revenue Funds.

If Contractor has not received payment from the County for such claims, the Contractor must withdraw the claim by notifying the EMS Agency Reimbursement Coordinator at 10100 Pioneer Boulevard, Suite 200, Santa Fe Springs, California 90670.

g. Director, at his/her discretion, may deduct from payments due to Contractor any prior overpayments

EXHIBIT B

made under this Agreement which were paid due to County's or to Contractor's clerical error or which resulted from Contractor's subsequent receipt of payment from the patient or third-party payer(s). County shall furnish Contractor with an itemization of such deductions, which will include the identity of the patient(s) for whose care overpayment was made, amounts of overpayment, and the basis for the finding of overpayment.

h. Upon payment of claim to Contractor by County for a trauma patient's care, and assignment and subrogation to County of any and all rights to collection as set forth herein, Contractor shall within 90 days of the receipt of those funds, cease all current and waive all future collection efforts, by itself and by its contractors/agents, to obtain any payment from the patient.

Contractor shall pursue reimbursement from third party coverage such as Medi-Cal, Medicare, other government programs, or other health insurance if they become aware of coverage. Contractor shall, upon verification of such third party coverage, submit a bill

EXHIBIT B

for its services to the third party. As soon as payment is received, Contractor shall reimburse County any payment received under the Trauma Center Service Agreement (TCSA) for that patient. Contractor agrees to assign and subrogate all rights that they may have against any patient, his/her responsible relative, any third party tortfeasor for reimbursement as a result of care and services provided by Contractor for which a claim has been paid by County under the TCSA. At its sole discretion, County and/or its Contractor may proceed independently against such parties for reimbursement to the extent permitted by law. The rights hereby assigned and subrogated to County under this provision include reimbursement up to the full amount of usual and customary fees, (including, for example, billed charges) for patient care and services regardless of any amount the Contractor has received under the TCSA. In the event Contractor is contacted by other third party's representative (e.g., insurance claim adjuster) or a patient's attorney regarding pending litigation, Contractor shall indicate that the paid claim for services provided to their client is

EXHIBIT B

assigned and subrogated to the County and refer such representative to the designated County contact. Contractor shall reasonably cooperate with County in its collection efforts.

Examples of when these County collection efforts might occur would include, but not necessarily be limited to, situations where there are third-party tortfeasors responsible for a patient's medical expenses.

For trauma patients admitted to Contractor's facility prior to or on the last day during the term of this Agreement, and remaining in the hospital after that date, reports and billings to County shall be submitted only after patient has been discharged in the subsequent fiscal year (no partial billings). Payment by County to Contractor for such patients shall be at the rates in effect on the date of admission. Said reports and billings shall be on forms, and completed in such detail and with such attachments in accordance with procedures prescribed in writing by Director in Attachment "B-4".

Contractor hereby acknowledges receipt of such forms, attachments, and procedures. Said reports shall

EXHIBIT B

be submitted to County's EMS Agency no later than within four (4) months after the close of the fiscal year during which services were provided, no later than the last working day of October for the prior fiscal year.

i. Any funds received by the County, pursuant to Paragraph I.C.1.h., shall be deposited into the Special Revenue Funds.

2. All required reports and billings submitted by Contractor shall be rendered in the name of Contractor as said name appears upon the upper portion of the first page of this Agreement.

3. Contractor shall maintain and make available to State or County representatives upon request records of all of the financial information referenced in this Paragraph, including records of patient and third-party payer payments, all in accordance with Paragraph 5. of the Additional Provisions exhibit of the Agreement.

4. County may periodically conduct an audit of the Contractor's records. Audits shall be performed in accordance with generally accepted auditing standards. The audit may be conducted on a statistically random sample of claims from the adjudicated universe for a fiscal year. The

EXHIBIT B

scope of the audit shall include an examination of patient medical and financial records, patient/insurance billing records, and collection agency reports associated with the sampled claims.

Audited paid claims that do not comply with program requirements shall result in a refund to the Special Revenue Funds. Any audited claim which is in violation of the Contract terms and conditions shall result in the Contractor refunding to the County the claim amount plus a penalty of fifty percent (50%) of the amount paid for that claim. Audit results may be appealed to the EMS Agency Director, or his/her designee.

Audited unpaid claims that do not comply with program requirements shall result in an adjustment in hospital's subsequent year's recommendations for Medi-Cal funding.

D. CLAIMS-BASED FUNDING: The parties have agreed to the following payment mechanisms for payment to the Contractors, with the maximum funding amount as set forth below to apply to the aggregate of payments made to the Contractor under the terms herein, and to payments made to all other trauma hospital Contractors under the terms of identical agreements with the County:

EXHIBIT B

1. a. Funding (Claims Based) for FY 2008-09:

County has allocated a maximum total amount of \$12.1 million. The parties acknowledge that this funding is comprised in part by revenue generated by Measure B Trauma Property Assessment (TPA) Funds as allocated by the County Board of Supervisors. The parties further acknowledge that the Measure B TPA Funds may vary based on (1) a percentage change, if any, in the total revenue generated for FY 2008-09 as compared to FY 2006-07 (the base year); and/or (2) an adjustment by the cumulative increase, if any, to the medical component of the Western Urban Consumer Price Index from July 1, 2003, as established by the United States Bureau of Labor Statistics if set by the Board of Supervisors, exclusively (Measure B Adjustment). As a result, the total maximum allocation may exceed the aggregate of \$12.1 million, taking into account a Measure B Adjustment to the Measure B TPA Funds. The parties also agree that the amount resulting from any Measure B Adjustment applied to the Claims-Based Funding may be allocated, in whole or in part, to increase the maximum obligation for Lump-Sum Funding for (1) Continued Access

EXHIBIT B

to Emergency Care for Medi-Cal Beneficiaries and/or (2) funding for Base Hospital Services for Continued Access to Emergency Care for Medi-Cal Beneficiaries, as set forth below, rather than to the Claims-Based Funding maximum obligation.

b. Funding (Claims Based) for FY 2009-10:

Except as set forth below, County has allocated a maximum total amount of \$12.1 million. The parties acknowledge that this funding is comprised in part by revenue generated by Measure B TPA Funds as allocated by the County Board of Supervisors. The parties further acknowledge that the Measure B TPA Funds may vary based on (1) a percentage change, if any, in the total revenue generated for FY 2009-10 as compared to FY 2008-09 (the base year); and/or (2) the adjustment by the cumulative increase to the medical component of the Western Urban Consumer Price Index from July 1, 2003, as established by the United States Bureau of Labor Statistics if set by the Board of Supervisors, exclusively (Measure B Adjustment). As a result, the total maximum allocation may exceed the aggregate of \$12.1 million, taking into account a Measure B Adjustment to the Measure B TPA

EXHIBIT B

Funds. The parties also agree that the amount resulting from any Measure B Adjustment applied to the Claims-Based Funding may be allocated, in whole or in part, to increase the maximum obligation for (1) Lump-Sum Funding for Continued Access to Emergency Care for Medi-Cal Beneficiaries and/or (2) funding for Base Hospital Services for Continued Access to Emergency Care for Medi-Cal Beneficiaries, as set forth below, rather than to the Claims-Based Funding maximum obligation.

c. Funding (Claims Based) for FY 2010-11: Except as set forth below, County has allocated a maximum total amount of \$12.1 million. The parties acknowledge that this funding is comprised in part by revenue generated by Measure B Trauma Property Assessment (TPA) Funds as allocated by the County Board of Supervisors. The parties further acknowledge that the Measure B TPA Funds may vary based on (1) a percentage change, if any, in the total revenue generated for FY 2010-11 as compared to FY 2009-10 (the base year); and/or (2) the adjustment by the cumulative increase to the medical component of the Western Urban Consumer Price Index from July 1, 2008, as established by the United States Bureau of Labor Statistics if set by the Board of Supervisors, exclusively

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(Measure B Adjustment). As a result, the total maximum allocation may exceed the aggregate of \$12.1 million, taking into account a Measure B Adjustment to the Measure B TPA Funds. The parties also agree that the amount resulting from any Measure B Adjustment applied to the Claims-Based Funding may be allocated, in whole, to increase the maximum obligation for the Lump-Sum Funding for Continued Access to Emergency Care for Medi-Cal Beneficiaries, as set forth below, rather than to the Claims-Based Funding maximum obligation.2. All funds collected, including audit claim penalties, shall be deposited to the County contract trauma hospitals Special Revenue Funds and utilized to make payments to all County contract trauma service hospitals at the rates set forth in subparagraph I.C.1.d. of Exhibit B.

3. All County contract trauma hospitals shall be paid on a first come, first validated, basis until all funds are disbursed. All funds, including interest, shall be disbursed within forty-five (45) days of receipt of validated claims received by County for Contractor services performed hereunder during the term of this Agreement, all pursuant to the rate schedule identified in subparagraph I.C.1.d. of Exhibit B.

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4. "Claims" for purposes of the above means validated claims at the rate defined herein. In no event, however, shall the total disbursement under this Paragraph to Contractor on a claim exceed Contractor's aggregate charges for the services provided (based upon Contractor's customary rates in effect on the dates of service).

5. Maximum amounts payable hereunder to each Contractor shall not be modified if, and upon, designation of any other trauma center not a Contractor hereunder.

E. BILLING AND PAYMENT - PHYSICIAN SERVICES: A copy of the revised Trauma Physician Services Program packet for County Fiscal Year 2009-10, Attachment "B-5", is attached and incorporated herein by reference. The packet for future Fiscal Years shall be provided to Contractor as soon as available thereafter. To permit its physicians to bill County for the professional component of un-reimbursed trauma services furnished to Contractor's trauma patients during the term of this Agreement, Contractor shall furnish members of its physician staff providing such services with a copy of said packet.

Upon request, Director shall provide Contractor with reports showing total aggregate payments to trauma physicians reimbursed by County for the professional component of un-reimbursed trauma

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services provided to Contractor during the term of this Agreement.

F. RECOVERY OF PAYMENT: County shall recover monies paid to Contractor hereunder for any of the reasons which follow:

1. Contractor fails to furnish patient specific data and reports required by this Agreement or by the State, or by both. County shall recover all funds paid to Contractor for that patient.

2. Funds are used for patients deemed ineligible under this Agreement. County shall recover all amounts paid to Contractor for such patients.

3. Contractor has failed to submit to any known third-party payer(s) for the patient, an accurate, complete, and timely billing, and for that reason has been denied payment by such payer(s). County shall recover all amounts paid to Contractor for that patient.

4. Contractor had knowledge of a third party tortfeasor and failed to file a lien against such third party. County shall recover all amounts paid to Contractor for such patients, except as set forth in Paragraph I.C.1.h. of Exhibit B.

5. Any funds recovered by the County pursuant to

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Paragraph I.F. shall be deposited into the Special Revenue Funds.

II. LUMP SUM FUNDING FOR CONTINUED ACCESS TO EMERGENCY CARE FOR MEDI-CAL BENEFICIARIES

The parties acknowledge that a State Plan Amendment effective July 1, 2003, was approved by the United States Department of Health and Human Services, Center for Medicare and Medicaid Services (SPA). The SPA enables Los Angeles County to receive enhanced Federal Medi-Cal matching funds upon payment by the County of an intergovernmental transfer (IGT) of funds pursuant to Section 14087.3 of the Welfare and Institutions Code. Pursuant to the SPA and a related interagency agreement between the County and the California Department of Health Services (CDHS), the IGT and Federal matching funds are distributed among the County-designated trauma hospitals to ensure continued access by Medi-Cal beneficiaries to trauma and emergency room care in the County.

Except for Ronald Reagan UCLA Medical Center, it is the intent of the County, and the County shall recommend to the State, that the funding to each trauma hospital be based on data regarding each hospital's actual trauma center losses, in accordance with the terms and conditions set forth in a

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separate agreement between the trauma hospital and the State, or its intermediary.

Due to its status as a public institution, Ronald Reagan UCLA Medical Center shall not receive Federal matching funds, and the County shall instead provide directly to Ronald Reagan UCLA Medical Center any funding allocation as described herein (with payments made at or about the same time that the other trauma hospitals receive the IGT and Federal matching funds):

- A. For Fiscal Year 2008-09, the total County maximum obligation shall be \$16.3 million, funded by Measure B funds. Except as set forth in this Exhibit, the following funding allocation shall be the basis for the County's recommendation to the State for allocation of the IGT and Federal matching Medi-Cal funds:

Childrens Hospital	\$ 314,298
All other trauma hospitals	\$ 15,985,072

The parties acknowledge that the above amounts are funded by Measure B TPA Funds as described above, and that this aggregate amount for FY 2008-09 may vary based on (1) a percentage change, if any, in the total revenue generated for FY 2008-09 as compared to FY 2006-07 (the base year); and/or (2) an adjustment by

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the cumulative increase, if any, to the medical component of the Western Urban Consumer Price Index from July 1, 2003, as established by the United States Bureau of Labor Statistics if set by the Board of Supervisors, exclusively (Measure B Adjustment). As a result, the total maximum allocation may exceed the aggregate of \$16.3 million, taking into account a Measure B Adjustment to the Measure B TPA Funds. The parties also agree that the amount resulting from any Measure B Adjustment applied to the Lump Sum Funding for Continued Access to Emergency Care for Medi-Cal Beneficiaries may be allocated, in whole or in part, to increase the maximum obligation for the (1) Claims-Based Funding and/or (2) funding for Base Hospital Services for Continued Access to Emergency Care for Medi-Cal Beneficiaries, as set forth below rather than to the Lump Sum Funding for Continued Access to Emergency Care for Medi-Cal Beneficiaries maximum obligation.

Except for the funding allocation to Ronald Reagan UCLA Medical Center, the total of the funding allocations above shall comprise the IGT for FY 2008-

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09, which will enable the County-designated trauma hospitals to receive Federal matching funds in approximately the same amount, dollar for dollar. The County shall recommend to the State that the IGT and Federal matching funds be divided among all Contractor trauma hospitals according to trauma center losses as described above.

- B. For Fiscal Year 2009-10, the total County maximum obligation shall be \$16.2 million, funded by Measure B funds. Except as set forth in this Exhibit, the following funding allocation shall be the basis for the County's recommendation to the State for allocation of the IGT and Federal matching funds:

Childrens Hospital	\$ 340,122
All other trauma hospitals	\$15,840,878

The parties acknowledge that the above amounts are funded by Measure B TPA Funds as described above, and that this aggregate amount for FY 2009-10 may increase based on (1) a percentage change, if any, in the total revenue generated for FY 2009-10 as compared to FY 2008-09 (the base year); and/or (2) the adjustment by the cumulative increase to the medical component of the

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Western Urban Consumer Price Index from July 1, 2003, as established by the United States Bureau of Labor Statistics if set by the Board of Supervisors, exclusively (Measure B Adjustment). As a result, the total maximum allocation may exceed the aggregate of \$16.2 million, taking into account a Measure B Adjustment to the Measure B TPA Funds. The parties also agree that the amount resulting from any Measure B Adjustment applied to the Lump Sum Funding for Continued Access to Emergency Care for Medi-Cal Beneficiaries may be applied, in whole or in part, to increase the maximum obligation for the (1) Claims-Based funding and/or (2) funding for Base Hospital Services for Continued Access to Emergency Care for Medi-Cal Beneficiaries, as set forth below, rather than to the Lump Sum Funding for Continued Access to Emergency Care for Medi-Cal Beneficiaries maximum obligation.

Except for the funding allocation to Ronald Reagan UCLA Medical Center, the total of the funding allocations above shall comprise the IGT for FY 2009-10, which will enable the County-designated trauma

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hospitals to receive Federal matching funds in approximately the same amount, dollar for dollar. The County shall recommend to the State that the IGT and Federal matching funds be divided among all Contractor trauma hospitals according to trauma center losses as described above.

- C. For Fiscal Year 2010-11, the total County maximum obligation shall be \$22.4 million, funded by Measure B funds. This total includes the Board-approved Measure B adjustment based on the cumulative Consumer Price Index from July 2003 to May 2008. Except as set forth in this Exhibit, the following funding allocation shall be the basis for the County's recommendation to the State for allocation of the IGT and Federal matching funds:

Childrens Hospital	\$ 812,000
All other trauma hospitals	\$21,550,330

The parties acknowledge that the above amounts are funded by Measure B TPA Funds as described above, and that this aggregate amount for FY 2010-11 may increase based on (1) a percentage change, if any, in the total revenue generated for FY 2010-11 as compared to FY

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2009-10 (the base year) and/or (2) an adjustment by the cumulative increase, if any to the medical component of the Western Urban Consumer Price Index from June 2008, as established by the United States Bureau of Labor Statistics if set by the Board of Supervisors, exclusively (Measure B Adjustment). As a result, the total maximum allocation may exceed the aggregate of \$22.4 million, taking into account a Measure B Adjustment to the Measure B TPA Funds. The parties also agree that the amount resulting from any Measure B Adjustment applied to the Claims-Based Funding may be applied in whole to the Lump Sum Funding for Continued Access to Emergency Care for Medi-Cal Beneficiaries maximum obligation.

Except for the funding allocation to Ronald Reagan UCLA Medical Center, the total of the funding allocations above shall comprise the IGT for FY 2010-11, which will enable the County-designated trauma hospitals to receive Federal matching funds in approximately the same amount, (or as altered by Federal Medical Assistance Percentage funding). The County shall recommend to the State that the IGT and

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Federal matching funds be divided among all Contractor trauma hospitals according to trauma center losses as described above.

III. FUNDING FOR BASE HOSPITAL SERVICES FOR CONTINUED ACCESS TO EMERGENCY CARE FOR MEDI-CAL BENEFICIARIES:

To account for the special costs incurred for those Contractors providing base hospital services (Childrens Hospital is not providing base hospital services), and to ensure continued access by Medi-Cal beneficiaries to emergency rooms and emergency room care in the County by maintaining efficient prehospital transport of all patients to the most appropriate emergency room, the County has allocated funding for each such hospital.

It is the intent of the County to obtain Federal matching funding for each County-designated trauma center providing base hospital services, except for Ronald Reagan UCLA Medical Center, through the SPA as described above.

Due to its status as a public institution, Ronald Reagan UCLA Medical Center shall not receive Federal matching funds, and the County shall instead provide directly to Ronald Reagan UCLA Medical Center any funding allocation as described herein (with payments made at or

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about the same time that the other trauma hospitals receive the IGT and Federal matching funds):

- A. For Fiscal Year 2008-09, the total County maximum obligation shall be approximately \$2.8 million (approximately \$2.3 million for the IGT and \$500,000 for Ronald Reagan UCLA Medical Center). Except as set forth in this Exhibit, the County shall determine the funding allocation of the IGT and Federal matching funds, as well as the direct payment to Ronald Reagan UCLA Medical Center, by taking into account call volume for the prior calendar year of service, including Standing Field Treatment Protocols (SFTPs) requiring medical direction (joint runs) and excluding information only calls for all trauma hospitals providing base hospital services, as follows:

<u>CALL VOLUME</u>	<u>MAXIMUM AMOUNT</u>
Up to 1,500 calls/month	\$ 500,178
1,501 to 3,000 calls/month	\$ 609,498
Over 3,000 calls/month	\$ 718,822

Except as set forth in this Exhibit, the County shall recommend to the State that the IGT and the Federal matching funding be divided as follows, with

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payment made on or about January of the applicable fiscal year.

<u>CONTRACTOR</u>	<u>MAXIMUM AMOUNT</u>
California Hospital Medical Center	\$ 500,178
Cedars-Sinai Medical Center	\$ 500,178
Providence Holy Cross Medical Center	\$ 500,178
Huntington Memorial Medical Center	\$ 500,178
Henry Mayo Newhall Memorial	\$ 500,178
Long Beach Memorial Medical Center	\$ 500,178
Northridge Hospital Medical Center	\$ 500,178
St. Francis Medical Center	\$ 500,178
St. Mary Medical Center	\$ 500,178

The County shall provide the following directly to Ronald Reagan UCLA Medical Center:

<u>CONTRACTOR</u>	<u>MAXIMUM AMOUNT</u>
Ronald Reagan UCLA Medical Center	\$ 500,178

The parties acknowledge that this funding is comprised in part by revenue generated by Measure B TPA Funds as allocated by the County Board of Supervisors. The parties further acknowledge that the Measure B TPA Funds may vary based on (1) a percentage change, if any, in the total revenue generated for FY 2008-09 as

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compared to FY 2006-07 (the base year); and/or (2) an adjustment by the cumulative increase, if any, to the medical component of the Western Urban Consumer Price Index from July 1, 2003, as established by the United States Bureau of Labor Statistics if set by the Board of Supervisors, exclusively (Measure B Adjustment). As a result, the total maximum allocation may exceed the aggregate of \$2.8 million, taking into account a Measure B Adjustment to the Measure B TPA Funds. The parties also agree that the amount resulting from any Measure B Adjustment applied to the funding for Base Hospital Services for Continued Access to Emergency Care for Medi-Cal Beneficiaries may be applied, in whole or in part, to increase the maximum obligation for (1) Claims-Based Funding and/or (2) Lump-Sum Funding for Continued Access to Emergency Care for Medi-Cal Beneficiaries, rather than to the funding for Base Hospital Services for Continued Access to Emergency Care for Medi-Cal Beneficiaries maximum obligation.

- B. For Fiscal Year 2009-10, the total County maximum obligation shall be approximately \$3.1 million

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(approximately \$2.5 million for the IGT and \$600,000 for Ronald Reagan UCLA Medical Center). Except as set forth in this Exhibit, the County shall determine the funding allocation of the IGT and Federal matching funds, as well as the direct payment to Ronald Reagan UCLA Medical Center, by taking into account call volume for the prior calendar year of service, including SFTPs requiring medical direction (joint runs) and excluding information only calls for all trauma hospitals providing base hospital services, as follows:

<u>CALL VOLUME</u>	<u>MAXIMUM AMOUNT</u>
Up to 1,500 calls/month	\$ 540,192
1,501 to 3,000 calls/month	\$ 658,257
Over 3,000 calls/month	\$ 776,328

<u>CONTRACTOR</u>	<u>MAXIMUM AMOUNT</u>
<u>Antelope Valley Hospital (Estimated)</u>	\$ 135,048
California Hospital Medical Center	\$ <u>540,192</u>
Cedars-Sinai Medical Center	\$ <u>540,192</u>
Providence Holy Cross Medical Center	\$ <u>540,192</u>
Huntington Memorial Medical Center	\$ <u>540,192</u>
Henry Mayo Newhall Memorial	\$ <u>540,192</u>
Long Beach Memorial Medical Center	\$ <u>540,192</u>

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Northridge Hospital Medical Center	\$	<u>540,192</u>
St. Francis Medical Center	\$	<u>540,192</u>
St. Mary Medical Center	\$	<u>540,192</u>

The County shall provide the following directly to Ronald Reagan UCLA Medical Center:

<u>CONTRACTOR</u>		<u>MAXIMUM AMOUNT</u>
Ronald Reagan UCLA Medical Center	\$	<u>540,192</u>

Except for Ronald Reagan UCLA Medical Center, the parties acknowledge that the funding allocations to be determined according to each trauma hospital's call volume shall be comprised of 50% of IGT and 50% of Federal matching funds (or as altered by FMAP funding). If it is determined that the call volume for any or all of the trauma hospitals has increased such that the maximum amount to be paid exceeds the maximum county obligation as set forth above, the Department shall seek approval from the Board of Supervisors for additional funding as needed.

The parties acknowledge that this funding is comprised in part by revenue generated by Measure B TPA Funds as allocated by the County Board of Supervisors. The parties further acknowledge that the Measure B TPA

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Funds may vary based on (1) a percentage change, if any, in the total revenue generated for FY 2009-10 as compared to FY 2008-09 (the base year); and/or (2) the adjustment by the cumulative increase to the medical component of the Western Urban Consumer Price Index from July 1, 2003, as established by the United States Bureau of Labor Statistics if set by the Board of Supervisors, exclusively (Measure B Adjustment). As a result, the total maximum allocation may exceed the aggregate of \$3.1 million, taking into account a Measure B Adjustment to the Measure B TPA Funds. The parties also agree that the amount resulting from any Measure B Adjustment applied to the funding for Base Hospital Services for Continued Access to Emergency Care for Medi-Cal Beneficiaries may be applied, in whole or in part, to increase the maximum obligation for (1) Claims-Based Funding and/or (2) Lump-Sum Funding for Continued Access to Emergency Care for Medi-Cal Beneficiaries, rather than to the funding for Base Hospital Services for Continued Access to Emergency Care for Medi-Cal Beneficiaries maximum obligation.

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- C. For Fiscal Year 2010-11, the total County maximum obligation shall be approximately \$3.7 million (approximately \$3.0 million for the IGT and \$700,000 for Ronald Reagan UCLA Medical Center). This total includes the Board-approved Measure B adjustment based on the cumulative Consumer Price Index from July 2003 to May 2008. Except as set forth in this Exhibit, the County shall determine the funding allocation of the IGT and Federal matching funds, as well as the direct payment to Ronald Reagan UCLA Medical Center, by taking into account call volume for the prior calendar year of service, including SFTPs requiring medical direction (joint runs) and excluding information only calls for all trauma hospitals providing base hospital services, as follows:

<u>CALL VOLUME</u>	<u>MAXIMUM AMOUNT</u>
Up to 1,500 calls/month	\$ 605,554
1,501 to 3,000 calls/month	\$ 737,566
Over 3,000 calls/month	\$ 869,577

<u>CONTRACTOR</u>	<u>MAXIMUM AMOUNT</u>
<u>Antelope Valley Hospital</u>	\$ 605,554
California Hospital Medical Center	\$ <u>605,554</u>

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Cedars-Sinai Medical Center	\$	<u>605,554</u>
Providence Holy Cross Medical Center	\$	<u>605,554</u>
Huntington Memorial Medical Center	\$	<u>605,554</u>
Henry Mayo Newhall Memorial	\$	<u>605,554</u>
Long Beach Memorial Medical Center	\$	<u>605,554</u>
Northridge Hospital Medical Center	\$	<u>605,554</u>
St. Francis Medical Center	\$	<u>605,554</u>
St. Mary Medical Center	\$	<u>605,554</u>

The County shall provide the following directly to
Ronald Reagan UCLA Medical Center:

<u>CONTRACTOR</u>		<u>MAXIMUM AMOUNT</u>
Ronald Reagan UCLA Medical Center	\$	670,918

Except for Ronald Reagan UCLA Medical Center, the parties acknowledge that the funding allocations to be determined according to each trauma hospital's call volume shall be comprised of 50% of IGT and 50% of Federal matching funds (or as altered by FMAP funding). If it is determined that the call volume for any or all of the trauma hospitals has increased such that the maximum amount to be paid exceeds the maximum county obligation as set forth above, the Department shall

EXHIBIT B

seek approval from the Board of Supervisors for additional funding as needed.

The parties acknowledge that this funding is comprised in part by revenue generated by Measure B TPA Funds as allocated by the County Board of Supervisors. The parties further acknowledge that the Measure B TPA Funds may vary based on (1) a percentage change, if any, in the total revenue generated for FY 2010-11 as compared to FY 2009-10 (the base year) and/or (2) an adjustment by the cumulative increase to the medical component of the Western Urban Consumer Price Index from June 2008, as established by the United States Bureau of Labor Statistics if set by the Board of Supervisors, exclusively (Measure B Adjustment). As a result, the total maximum allocation may exceed the aggregate of \$3.7 million, taking into account a Measure B Adjustment to the Measure B TPA Funds.

IV. FUNDING FOR PEDIATRIC TRAUMA

CENTERS:

The parties acknowledge that Chapter 841 of the Statutes of 2006, hereinafter referred to as "SB 1773", authorized the County Board of Supervisors, until January 1,

EXHIBIT B

2009, to elect to levy an additional penalty in the amount of \$2 for every \$10, upon fines, penalties, and forfeitures collected for specific criminal offenses. SB 1773 further authorized the County Board of Supervisors to utilize fifteen percent (15%) of the funds collected pursuant to these provisions to provide funding for Pediatric Trauma Centers (PTCs) throughout the County, both publicly and privately owned and operated. Funds spent for these purposes shall be known as Richie's Fund, and are based on projected collections through December 2008.

In keeping with the intent of Richie's Fund, the following PTCs will receive from the County one-time allocation to be disbursed evenly amongst: 1) Harbor/UCLA Medical Center; 2) LAC+USC Medical Center; 3) Cedars-Sinai Medical Center; 4) Childrens Hospital Los Angeles; 5) Long Beach Memorial Hospital; and (6) The Regents of The University of California, a California Corporation, on behalf of The University of California Los Angeles to augment the services provided to pediatric trauma patients. An estimated allocation would be disbursed to Northridge Hospital Medical Center, for maintaining a PTC. One final allocations are determined, provision specifics will be

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incorporated via execution of a written Amendment to this Agreement.

SB 1773 Pediatric Funding distributions for FY 2010-11 will be disbursed by execution of a written amendment to this Agreement via revised Pediatric Trauma Center Service Augmentation Exhibits B.1 and B.2.

TRAUMA CENTER SERVICE AGREEMENT

EXHIBIT C

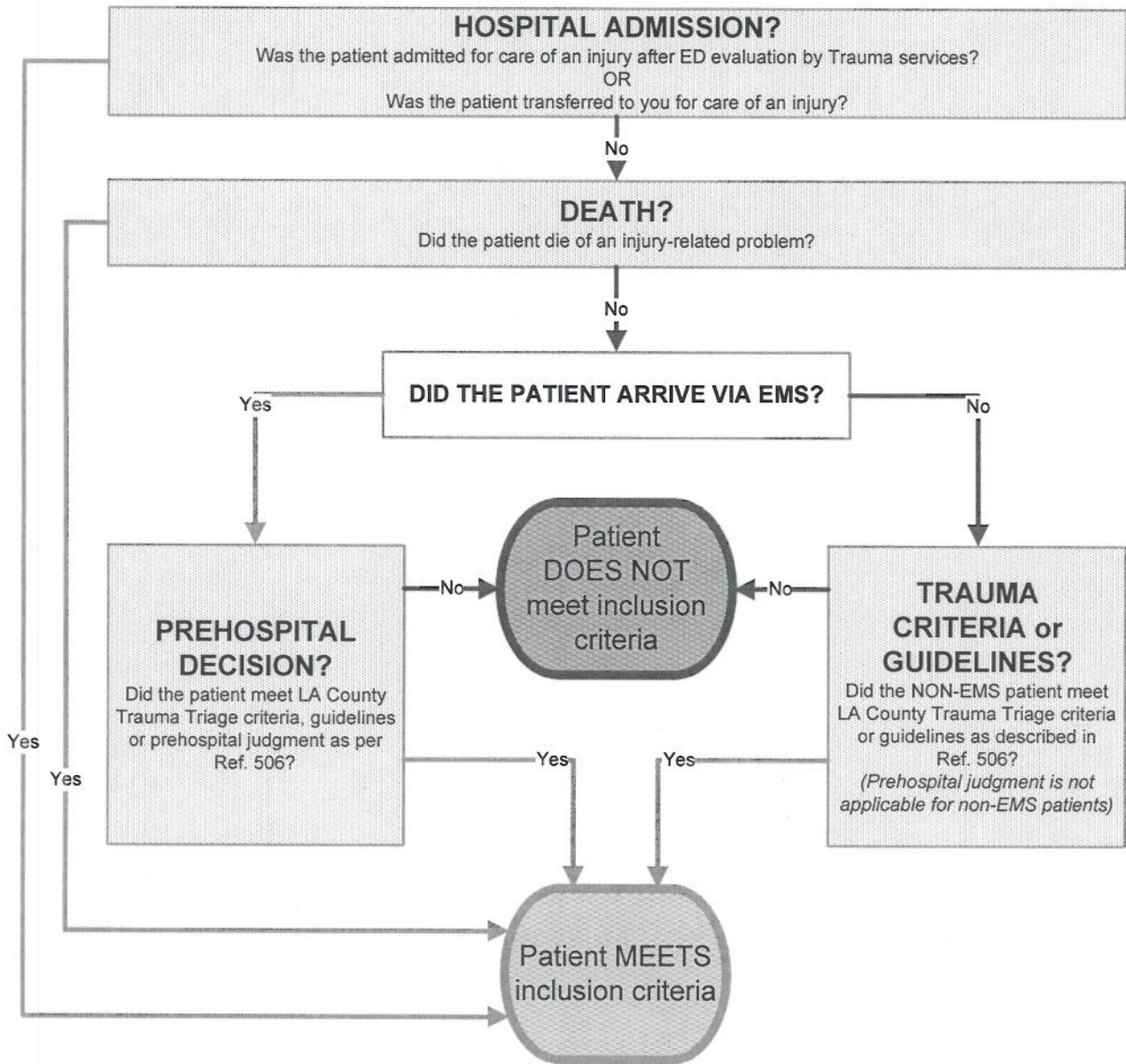
PATIENT INCLUSION IN THE TRAUMA DATA SYSTEM

INJURED PATIENTS

Patient has at least one ICD-9-CM injury diagnostic code within the range of 800-959.9

EXCLUSIONS:

All diagnostic codes within the following ranges, unless an additional injury that meets criteria exists:
905-909.9 (late effects of injury)
910-924.9 (superficial injuries/insect bites)
930-939.9 (foreign bodies)



CASES ENTERED INTO THE REGISTRY THAT DO NOT MEET "EXHIBIT C" CRITERIA MUST BE IDENTIFIED AS "DHS=NO", AND HAVE THE TPS RATIONALE OF "DHS=NO" INDICATED.

TRAUMA CENTER SERVICE AGREEMENT

EXHIBIT D

TRAUMA CENTER DATA COLLECTION SYSTEM

1. SPECIFIC RESPONSIBILITIES OF COUNTY'S DEPARTMENT OF HEALTH SERVICES (COUNTY'S LOCAL EMERGENCY MEDICAL SERVICES (EMS) AGENCY) INCLUDE THE FOLLOWING:

- A. The local EMS agency shall develop and implement a standardized data collection instrument and implement a data management system for trauma care.
- (1) The system shall include the collection of both prehospital and hospital patient care data, as recommended by the Trauma Hospital Advisory Committee (THAC) to the local EMS agency.
 - (2) Trauma data shall be integrated into the local EMS agency data management system.
 - (3) County commits to pursue the participation, in the local EMS agency data collection system efforts, of all hospitals receiving trauma patients in accordance with local EMS agencies policies and procedures which are based on Title 22.
 - (4) County shall generate and distribute periodic reports to all designated Trauma Centers participating in the trauma system on a quarterly basis, to include but not limited to:

Exhibit D

- (a) system volume report on the total number of patients by trauma center; and
 - (b) system volume report on the number of pediatric patients versus the number of adult patients by trauma center; and
 - (c) system volume report on the number of blunt injuries versus the number of penetrating injuries by trauma center; and
 - (d) system volume report on the mechanism of injury by trauma center.
 - (5) County shall generate and distribute for the purposes of benchmarking to Contractor quarterly reports on system aggregate data on the following:
 - (a) Intensive Care Unit (ICU) Length of Stay (LOS); and
 - (b) Payer Source distribution; and
 - (c) Injury Severity Score (ISS) distribution with the patient's outcome, lived versus died.
 - (6) County agrees to honor special request for reports by Contractor to compare hospital specific data elements to the system aggregate data elements within a reasonable agreed upon time period.
- B. The Department agrees to provide the following to the

Exhibit D

Contractor:

- (1) A current Trauma Center Trauma and Emergency Medicine Information System (TEMIS) software training/procedure manual.
- (2) Annually a minimum of sixteen (16) hours TEMIS basic software training and twenty-four (24) hours of intermediate/advanced training will be offered, for all necessary persons identified by Contractor, to enable Contractor personnel to perform data entry, database maintenance, and basic and advanced report generation functions. Contractor's need for basic training of new employees will be met without regard to the minimum number of participants within two (2) weeks of Contractor's request. Intermediate/advanced training classes to be scheduled monthly, with a specific agenda for standardized education, with a minimum number of two (2) participants, in no less than four (4) hour increments. Additional training hours will be made available as needed. A nonexclusive, nontransferable license to

Exhibit D

Contractor to use current software and documentation and any software updates, or until Agreement is terminated as set forth herein. Such license also includes the right of Contractor to copy TEMIS software and documentation for back-up or archive purposes, but such license further gives Contractors no right to sell, lease, sublease, donate, assign, distribute, or otherwise transfer any right in TEMIS software or documentation to any other person or entity.

In the event that Agreement is terminated for any reason, the Department shall promptly remove all TEMIS software and Contractor shall return to County all TEMIS documentation (and all copies thereof made by Contractor hereunder) provided by County to Contractor.

Unlimited technical support for the TEMIS system provided during normal business hours.

- A. County does not warrant that operation of the software will be error-free. In the event of errors in software the Department, on behalf of County, shall use reasonable efforts to promptly rectify the software. Whenever possible, the Department shall correct a

Exhibit D

problem in twenty-four (24) hours or less. County shall have no such obligation if the problem(s) is (are) a direct or indirect result of software modifications made without written approval from Director. County's inability to resolve above issues will result in temporary suspension of Contractor's data obligations.

The foregoing including responsibilities for resolving software problems are the only warranties of any kind, either expressed or implied, that are made by County, and County disclaims all other warranties including, but not limited to, the implied warranties of fitness for a particular purpose. In no event shall County be liable for any direct, indirect, incidental, or consequential damages of any nature whatsoever (including, without limitation, damages for loss of business profits, business interruption, loss of information and the like), arising out of the use or inability to use the software, even if County has been advised of the possibility of such damages.

County does not assume and shall have no liability under this Agreement for failure to replace defective software, or the corresponding data due directly or

Exhibit D

indirectly to causes beyond the control of, and without the fault or negligence of County, including, but not limited to, acts of God, acts of public enemy, acts of the United States, any state, or other political subdivision, fires, floods, epidemics, quarantine, restrictions, strikes, freight embargoes, or similar or other conditions beyond the control of County.

2. SPECIFIC RESPONSIBILITIES OF CONTRACTOR INCLUDE THE FOLLOWING:

- A. Contractor agrees to replace County provided TEMIS hospital hardware and return such equipment to the County by December 31, 2010. Contractor shall maintain their new equipment in fully functioning order until Agreement is terminated.
- B. Contractor's data collection requirements for patient inclusion in the trauma database are defined and set forth in Exhibit "C", attached hereto and incorporated herein by reference.

Contractor shall enter into the TEMIS database within fifteen (15) days of hospital admission, the data elements found in the Initial Patient Information Section (to include patient name, admit date, mode of entry, and sequence number) of the Trauma Patient

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Summary - Page 1 (TPS1). The remainder of TPS1 shall be entered into the TEMIS database within thirty (30) days of hospital admission. Data elements found in the Trauma Patient Summary - Page 2 (TPS2) shall be entered into the TEMIS database within sixty (60) days of hospital discharge.

- C. Contractor acknowledges receipt of the County Department of Health Services Trauma Patient Summary Form, Attachment "D-2", attached hereto and incorporated herein by reference. Contractor agrees to provide all mandatory data elements from Attachment "D-2" in reporting trauma patient information to the Department, to assist the Department in its data collection effort. In the event that Director determines that the Department's Trauma Patient Summary Form should be modified or that additional data must be collected by Contractor based on recommendations from the Trauma Hospital Advisory Committee (THAC), said request for additional data must first be referred to the EMSC Data Advisory Committee by Director for review and advice. The Department shall estimate the cost impact on Trauma Centers of the request for the modification and shall advise the EMSC. If the request

Exhibit D

for additional data results in increased costs to Contractor, Contractor may terminate this Agreement upon giving at least sixty (60) days prior written notice to County.

- D. Contractor shall utilize TEMIS application programs and provide their own equipment in accordance with the specifications shown in Attachment "D-1", TEMIS Hospital Hardware and Software Specifications, attached hereto and incorporated herein by reference, in a reasonably secure area of the hospital provided by the Contractor. Contractor shall in no way modify the structure or function of the software without prior written approval of Director. The hardware and software configuration provided shall be used exclusively for the purposes intended herein.
- E. Contractor shall provide DSL or T1 internet connection for the submission of Contractor's TEMIS data to County.
- F. Should County remove all or any portion of TEMIS software required to submit Contractor's data to County via County defined media, or fail to correct any software errors that prevent Contractor from being able to perform data entry, Contractor's obligation to

Exhibit D

submit data electronically shall cease, until County has reinstalled the necessary software or corrected the software error.

- G. Contractor shall seek telephone assistance from Director, whenever TEMIS operation failure occurs, to obtain County TEMIS maintenance services as described herein.
- H. Contractor shall assign qualified back-up personnel to operate TEMIS, as reasonably appropriate for Contractor to meet Contractor's data collection responsibilities described herein. Furthermore, Contractor shall permit adequate time for complete training of such.
- I. All software application modules, all modifications, enhancements, and revisions thereof and thereto, and all materials, documents, software programs and documentation, written training documentation and aids, and other items provided by County or its agents, are "proprietary" or "confidential". Contractor shall use reasonable means to insure that these confidential products are safeguarded and held in confidence. Such means shall include, but not be limited to: requiring each Contractor employee or agent given access thereto to enter into a written agreement in the same form

Exhibit D

identified as Attachment "D-3", Hospital Employee Acknowledgement and Confidentiality Agreement Regarding Trauma Center Data Collection Obligations, attached hereto and incorporated herein by reference; disclosing confidential County products only to employees with a need to know of such confidential County products in order for Contractor to exercise its rights and perform its obligation as a Trauma Center; and refraining from reproducing, adapting, modifying, disassembling, decompiling, reverse engineering, distributing, or disclosing any confidential County products except as expressly permitted hereunder. Copies of software, application modules, and data may be made for the sole purpose of backup only.

- J. Contractor shall indemnify, hold harmless, and defend County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, for or by reason of any actual or alleged infringement of any United States patent, copyright, or any actual or alleged trade secret disclosure, arising from or related to the misuse of the software license.

3. RELEASE AND/OR SALE OF TEMIS DATA:

Exhibit D

- A. The parties acknowledge that the data collection effort was undertaken for the purpose of improving the Los Angeles Trauma System and that the County and participating hospitals have expended significant amounts of time, effort and money to develop data collection systems and data. Accordingly, it is hereby acknowledged and agreed that County will not release or sell any identifiable data to any entity for publication or for any other use whatsoever without first receiving written permission from Contractor, if it is identified, except as otherwise provided by law.
- B. Only non-hospital identifiable information resulting from the TEMIS may be sold by County without permission of the hospitals.
- C. Seventy-five percent (75%) of the proceeds of the sale of any TEMIS Trauma Center information shall be distributed to the participating hospitals in equal amounts. Said distribution shall be effected by reducing the annual fee by an amount equal to Contractor's share of the sale of proceeds from the previous year.

TRAUMA CENTER SERVICE AGREEMENT

**TRAUMA and EMERGENCY MEDICINE INFORMATION SYSTEM (TEMIS)
HOSPITAL HARDWARE AND SOFTWARE SPECIFICATIONS**

Minimum Workstation Recommendations

- Intel® Pentium E5200 (2.5 GHz)
- Microsoft Windows XP Professional SP3
- 1 GB of RAM
- 2 GB of Available Disk Space
- Display Adapter and monitor Capable of Displaying 1024 X 768
- 100 Mbps NIC Adapter or faster
- Mouse
- Keyboard

Recommended Workstation Specifications

- Intel® Core i7 Processor - 940
- Microsoft Windows XP Professional SP3 (Vista Not Recommended)
- 1 GB of RAM
- 2 GB of Available Disk Space
- Display Adapter and Monitor Capable of Displaying 1024 X 768
- 1 Gbps NIC Adapter or faster
- Mouse
- Keyboard

Other Recommendations

- Customers wishing to print reports will naturally need a printer. However, this printer need not be connected to the workstation. LA Base can use any printer installed whether it be local or network.
- To facilitate remote technical support, a high-speed internet connection is strongly recommended for all workstations.
- (Lancet Technology uses Remote Support From WebEx for remote desktop support. If this does not comply with your institution's IT policy, we request network access via a VPN with desktop access via an industry standard solution such as pcAnywhere, Microsoft Remote Access (RDP) or VNC.
- IT persons should have FTP access for downloading and uploading of large files related to product updates and technical support.
- For sites wishing to use SQL Server Express Oracle Database Express, this software will need to be installed by the customer prior to Lancet Technology installing LA Base.
- Ideally it is a great advantage if Lancet Technology has direct access to the server console, as it is easier to troubleshoot directly.

PROCEDURES

NAME				ARRIVAL DATE: / /		MR#	SEQ#	OTH#			
OPERATIONS / PROCEDURES	DATE	CUT TIME	END TIME	OPERATION			PROC. ICD-9	SURG TYPE	MD CODE		
	/	:	:								
	/	:	:								
	/	:	:								
	/	:	:								
	/	:	:								
	/	:	:								
	/	:	:								
	/	:	:								
	/	:	:								
ICU	ARRIVAL	EXIT	CONSULTS	DATE	SERVICE	MD CODE		PHASE AFTER OR:			
	/	/		/				1 ST VISIT			
	/	/		/				2 ND VISIT			
	/	/		/				3 RD VISIT			
	/	/		/				4 TH VISIT			
							5 TH VISIT				
POSTHOSPITAL	D/C DATE	/	TRANSFER'D / D/C TO <input type="checkbox"/> Home w/o services <input type="checkbox"/> Home w/Home Health <input type="checkbox"/> Morgue <input type="checkbox"/> Acute Care Facility <input type="checkbox"/> SNF <input type="checkbox"/> Subacute Care <input type="checkbox"/> Rehab <input type="checkbox"/> Hospice <input type="checkbox"/> AMA/Eloped/LWBS <input type="checkbox"/> Jail <input type="checkbox"/> Other:								
	D/C TIME	:	RATIONALE <input type="checkbox"/> Health Plan <input type="checkbox"/> Financial <input type="checkbox"/> Higher Level / Specialized Care <input type="checkbox"/> Rehab <input type="checkbox"/> Extended Care <input type="checkbox"/> In Custody <input type="checkbox"/> Other:								
	PRIOR PHASE		D/C CAPACITY <input type="checkbox"/> Pre-Injury Capacity (D/C'd from ED with minimum or no injuries) <input type="checkbox"/> Temporary Handicap (Admitted for injuries) <input type="checkbox"/> Permanent Handicap, >1yr limitations (excludes splenectomy)								
	<input type="checkbox"/> LIVED <input type="checkbox"/> DIED:		ORGAN DONOR? Y N		AUTOPSY UPDATE? Y N		CORONER # <input type="checkbox"/> N/A				
	DISCHARGE DIAGNOSES		ICD-9	AIS	BODY REG	DISCHARGE DIAGNOSES		ICD-9	AIS	BODY REG	
HAND-CALCULATED ISS:		1) HEAD/NECK	2) FACE	3) CHEST	4) ABD/PELVIS	5) EXTREMITIES	6) EXTERNAL	TOTAL:			
NTDS CO-MORBID CONDITIONS <input type="checkbox"/> No NTDS co-morbidities <input type="checkbox"/> Alcoholism <input type="checkbox"/> Angina within 30 days <input type="checkbox"/> Ascites within 30 days <input type="checkbox"/> Bleeding disorder <input type="checkbox"/> Chemo within 30 days <input type="checkbox"/> CHF <input type="checkbox"/> Congenital Anomalies <input type="checkbox"/> Current smoker <input type="checkbox"/> CVA/Residual Neuro Deficit <input type="checkbox"/> Diabetes <input type="checkbox"/> Dialysis (needs/is on) <input type="checkbox"/> Disseminated Cancer <input type="checkbox"/> DNR status <input type="checkbox"/> Esophageal varices <input type="checkbox"/> Functional Dependent Hlth Status <input type="checkbox"/> HTN req'g meds <input type="checkbox"/> Impaired sensorium <input type="checkbox"/> MI within 6 months <input type="checkbox"/> Obesity <input type="checkbox"/> Prematurity <input type="checkbox"/> Respiratory Disease <input type="checkbox"/> Steroid use <input type="checkbox"/> Revascularization/Amputation for PVD <input type="checkbox"/> Other:											
NTDS COMPLICATIONS <input type="checkbox"/> No NTDS comp. <input type="checkbox"/> Abd Compart Synd <input type="checkbox"/> AMI <input type="checkbox"/> Abd fascia left open <input type="checkbox"/> Acute renal failure <input type="checkbox"/> ARDS <input type="checkbox"/> Anastomotic leak <input type="checkbox"/> Base Deficit <input type="checkbox"/> Bleeding <input type="checkbox"/> Coagulopathy <input type="checkbox"/> Coma <input type="checkbox"/> CPR <input type="checkbox"/> CVA <input type="checkbox"/> Decub ulcer <input type="checkbox"/> Drug/ETOH withdrawal <input type="checkbox"/> DVT/thrombophleb. <input type="checkbox"/> Extremity Compartment Syndrome <input type="checkbox"/> Graft/prosthesis/flap failure <input type="checkbox"/> ICP elevation <input type="checkbox"/> Jaundice/hepatic failure <input type="checkbox"/> Pancr. fistula <input type="checkbox"/> PE <input type="checkbox"/> Pneumonia <input type="checkbox"/> Surg site infection (superficial) <input type="checkbox"/> Surg site infection (deep) <input type="checkbox"/> Surg site infection (organ/space) <input type="checkbox"/> Sepsis <input type="checkbox"/> Unanticipated intubation <input type="checkbox"/> Unplanned readmit <input type="checkbox"/> Wound disruption <input type="checkbox"/> Wound infection <input type="checkbox"/> Other:											
Pvt/Commercial Insurance: <input type="checkbox"/> Blue Cross/Blue Shield <input type="checkbox"/> HMO <input type="checkbox"/> Medi-Cal HMO <input type="checkbox"/> Auto Insurance <input type="checkbox"/> Worker's Comp. <input type="checkbox"/> Organ Donor Subsidy <input type="checkbox"/> Other private carrier:			Government: <input type="checkbox"/> CCS (California Children's Services) <input type="checkbox"/> CHIP eligible <input type="checkbox"/> CHP (Comm. Hlth Plan)/Healthy Fam. <input type="checkbox"/> Custody Funds <input type="checkbox"/> Military Insurance <input type="checkbox"/> VOC (Victims of Crime) <input type="checkbox"/> Other Government:			Self: <input type="checkbox"/> Cash <input type="checkbox"/> ATP w/liability <input type="checkbox"/> Pre-pay Not billed: <input type="checkbox"/> Charity <input type="checkbox"/> ATP w/o liability			Medicaid: <input type="checkbox"/> Medi-Cal <input type="checkbox"/> Medi-Cal pending <input type="checkbox"/> Medicare		
TOTAL CHARGES: \$											